

SEN. GEORGE RUNNER (RET.)

MEMBER STATE BOARD OF EQUALIZATION CALIFORNIA'S TAX BOARD

June 18, 2014

Senator Fran Pavley, Chair Senate Natural Resources and Water Committee State Capitol, Room 4035 Sacramento, CA 95814

RE: ASSEMBLY BILL 2031 (DAHLE) - LUMBER PRODUCT ASSESSMENT - SUPPORT -

Dear Senator Pavley,

I am writing to urge your support of BOE-sponsored Assembly Bill 2031 (Dahle), which establishes a threshold of annual sales of \$25,000 in qualifying lumber products, under which a retailer is not required to collect and report the Lumber Products Assessment (LPA).

On January 1, 2013, the Legislature enacted Assembly Bill 1492, which imposed a 1% assessment on a person who purchases lumber products and engineered wood products to be collected by the retailer at the time of sale. Unfortunately, the bill did not allow an exemption for qualified businesses that have few to no sales of wood products subject to the LPA.

The proposed \$25,000 threshold represents LPA reporting amounts of only \$0.01 to \$250 annually per retailer. The measure will ease the burden for small sellers of wood products by eliminating the expense of collecting and reporting the LPA.

I am pleased to support AB 2031 and urge your "aye" vote when it is heard before the Senate Natural Resources and Water Committee on June 24.

Sincerely,

GEORGE RUNNER
Second District

cc: Assemblymember Dahle

Todd Moffitt, Consultant, Senate Republican Office of Policy